

WASHINGTON, DC

October 27, 2020

Thomas J. Donohue Chief Executive Officer Chamber of Commerce of the United States of America 1615 H Street, NW Washington, DC 20062-2000

Dear Mr. Donohue:

We write to express our concerns over reports that the industries and companies that the U.S. Chamber of Commerce represents have supply chains that have been implicated in the state-sanctioned forced labor of Uyghurs and other Muslim groups in the Xinjiang Uyghur Autonomous Region of China (XUAR) and in sites where Uyghurs have been relocated. The decision to operate or contract with production facilities overseas must be accompanied by high standards of supply chain accountability and transparency to ensure that no company's products are made with forced labor. We urge your members to take immediate action to ensure goods manufactured for them are not complicit in the China's state-directed human rights abuses, including by relocating production from the XUAR. In addition, we ask your members to take critical, comprehensive steps to achieve the supply chain integrity and transparency American consumers and workers deserve. It is past time for American multinational companies to be part of the solution, not part of the problem, on efforts to eradicate forced labor and end human rights abuses against workers in China.

As you are undoubtedly aware, the Chinese government has perpetrated the transfer and detention of more than one million Uyghurs and other Muslim populations in and from the Xinjiang Uyghur Autonomous Region of China (XUAR). The targeted groups are required to participate in worker training and indoctrination programs and forced to take factory jobs for little or no wages. China's oppression and abuse of the Uyghurs and other Muslims are not

Danielle Cave, et al., March 1, 2020. Retrieved from: https://www.aspi.org.au/report/uyghurs-sale

¹ The Economist, "The Persecution of the Uyghurs is a Crime Against Humanity" Oct. 17, 2020 https://www.economist.com/leaders/2020/10/17/the-persecution-of-the-uyghurs-is-a-crime-against-humanity. New York Times, "Absolutely No Mercy': Leaked Files Expose How China Organized Mass Detentions of Muslims," Austin Ramzy and Chris Buckley, November 16, 2019. Retrieved from: https://www.nytimes.com/interactive/2019/11/16/world/asia/china-xinjiang-documents.html. See also: International Consortium of Investigative Journalists, "Exposed: China's Operating Manuals for Mass Internment and Arrest by Algorithm," Bethany Allen-Ebrahimian, November 24, 2019. Retrieved from: https://www.icij.org/investigations/china-cables/exposed-chinas-operating-manuals-for-mass-internment-and-arrest-by-algorithm/; Center for Strategic and International Studies, "Connecting the Dots in Xinjiang," Amy K. Lehr and Mariefaye Bechrakis, October 2019. Retrieved from: https://csis-website-prod.s3.amazonaws.com/s3fs-public/publication/Lehr_ConnectingDotsXinjiang_interior_v3_FULL_WEB.pdf
² The New York Times, "Inside China's Push to Turn Muslin Minorities Into an Army of Workers," Chris Buckley and Austin Ramzy, December 30, 2019. Retrieved from: https://www.nytimes.com/2019/12/30/world/asia/china-xinjiang-muslims-labor.html. See also: Australian Strategic Policy Institute, "Uyghurs for sale," Vicy Xiuzhong Su,

limited to forced labor, however.³ Survivors of the imprisonment camps detail instances of torture⁴, and the U.S. State Department has reported the killing of detainees.⁵ Although the factories in the XUAR have gotten the most attention, there is also evidence that at least tens of thousands of Uyghurs are being transferred outside of the XUAR to be exploited in factories in other regions.⁶

The Chinese government has perpetuated these human rights abuses for years and taken advantage of China's role in international production to embed these abuses in numerous global supply chains, including textile and apparel, electronics, footwear, toys, furniture, and increasingly, others. A report issued earlier this year noted that dozens of global brands could have relationships with suppliers participating in this program. This is unconscionable and requires immediate, comprehensive action by all global companies with connections to China, particularly those implicated in the report, to accept accountability for and eradicate forced labor in their supply chains.

As authors of the update to U.S. law banning *all* imports into the United States made in whole or in part with forced labor, we support a zero tolerance policy with respect to imports made with forced labor. We will continue to push Customs and Border Protection (CBP) to investigate and issue region-wide Withhold Release Orders (WROs) for all products known to be produced in the XUAR and to implement a comprehensive response to the Chinese government's violation of human rights. As you know, WROs block imports made with forced labor from entering the United States, and they are critical to maintaining the integrity of the American market for U.S. business and consumers. But, WROs are a remedy only after a problem exists, and in reality they should not be necessary for companies and industries who take responsibility for their supply chain. They represent an enforcement action for when there has been a failure on the part of a company or importer to fulfill that responsibility.

Regardless of whether a WRO is issued directly related to a company's supply chain, it is each company's responsibility to ensure it does not have forced labor or any other human rights abuses in its supply chain, and it must take quick, concrete action to guard against that risk. For that reason, we ask that the U.S. Chamber of Commerce's members commit to take the following steps:

First and foremost, we call on your members to cease production and production or sourcing relationships in the XUAR. Given the scope and scale of the state-sanctioned human rights abuses, there is a high risk that any good, including components and inputs, produced in the XUAR has been made by workers subjected to the state-run forced labor program. Your companies must immediately sever all ties, direct and indirect, with production facilities and

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³ Foreign Policy, "China's Own Documents Show Potentially Genocidal Sterilization Plans in Xinjiang," Adrian Zenz, July 1, 2020. Retrieved from: https://foreignpolicy.com/2020/07/15/uighur-genocide-xinjiang-china-surveillance-sterilization/

⁴ NBC News, "Uighurs accuse China of mass detention, torture in landmark complaint," Willem Marx and Olivia Sumrie, September 9, 2020. Retrieved from: https://www.nbcnews.com/news/world/uighurs-accuse-china-mass-detention-torture-landmark-complaint-n1239493

⁵ U.S. Department of State, "2019 Report on International Religious Freedom: China – Xinjiang," Office of International Religious Freedom, June 10, 2020. Retrieved from: https://www.state.gov/reports/2019-report-on-international-religious-freedom/china/xinjiang/

⁶ Australian Strategic Policy Institute.

⁷ Ibid.

sources of raw material in the XUAR and communicate to the American public when they have done so. Notably, the situation in XUAR differs from many other instances of forced labor, where governments in host countries may be merely incapable or unwilling to address forced labor. In those circumstances, companies can play a beneficial role in lifting labor standards by imposing rigorous standards in their own operations. In contrast, China is systematically underwriting the forced labor in the XUAR as an integral component of its repression of a minority population, so there is no discernible benefit to the human rights of Uyghurs if companies remain in the region as an instrument of that repression.

Second, your members must commit to heightened transparency throughout their supply chains. Human rights abuses often go unaddressed because of the opaque network of global supply chains. Corporate accountability is an essential part of efforts to eradicate forced labor in the XUAR, other areas of China, and other countries. In addition to the disclosing details of supply chains sufficient to demonstrate the absence of forced labor, your members must undertake a complete mapping of the supply chain for every good, including inputs, manufactured for their brands, regardless of whether the company serves as the importer. Corporations have the ability to trace the sourcing of materials and goods at every level of the supply chain. It is not credible for companies to claim it is too hard to track all steps of production and assembly as the technology to enable tracing has progressed. The public understands that if a corporation does not know where its products are made, it is because the corporation has chosen not to know. We ask that they immediately disclose on their websites locations of production for inputs and finished products. In the case of supply chain facilities located in China and the XUAR specifically, we insist they provide information sufficient to verify that those factories have not used forced labor while part of their supply chain as well as plans to immediately shift production from the region.

Third, your companies must work to ensure that workers have a meaningful voice at all facilities in their U.S. supply chains. In the case of the XUAR, this is not possible given the suppression of the Uyghurs, other Muslim groups, and civil society. That is why your companies must cease all production and sourcing in that region. However, in other facilities where forced labor may be less apparent, it is critical for companies to obtain on-the-ground information about working conditions in their supply chains. For that reason, it is imperative that they seek to engage directly with the workers who make their products through strong relationships with worker advocates and representatives on the ground in locations and sectors where there is a risk of forced labor, even at facilities with workers who are not direct employees and at those that are not in the XUAR or China. In facilities where the workers are represented by an independent union, your companies must reach out to the union and establish a formal line of communication between the union and an executive officer at the company. In facilities where workers do not have independent union representation, your companies should establish the same direct lines of communication with civil society and worker advocacy groups. Further, we ask your companies to indicate the ways in which they have established these lines of communication on their websites. Removing forced labor from U.S. supply chains cannot be accomplished if corporations turn a blind eye to potential abuses by suppliers. Rather, corporations must give a voice to the workers they rely on.

American workers and consumers are harmed by corporations' failures to prevent and eradicate human rights abuses in their supply chains. It is not acceptable to hide behind subcontractors or shared production facilities. It is not credible to say it is too complicated to track all of the

components that go into the assembly of items stamped with your members' brands. It is time for multinational corporations to take responsibility for their supply chains and to ensure all internationally recognized labor rights and human rights are respected throughout them.

We will continue to push the U.S. government to take all action necessary to eradicate forced labor and protect human rights, but that does not eliminate the U.S. Chamber of Commerce's members' role in pursuing the same goal. We ask you to respond to this letter by November 6, 2020 with a written commitment on behalf of your companies to adopt the actions outlined above. In addition, we would like to stay in communication with you to discuss the steps your companies take pursuant to these actions.

Sincerely,

Sherrod Brown

United States Senator

Ron Wyden

United States Senator

Ron Wyden